# IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS

**WACO DIVISION** 

FILED

DEC 1 0 2018

CLINTON STRANGE,

Plaintiff

OLERK, U.S. OHSENCT CL WESTERN DISTRICT OF BY

6:18-CV-00180-ADA-JCM

v.

GLOBAL VIRTUAL OPPORTUNITIES, INC.,

Defendant

PLAINTIFF'S MOTION FOR DEFAULT JUDGEMENT

#### **Preliminary Statement:**

Pro Se Plaintiff Clinton Strange hereby moves, pursuant to Federal Rule of Civil Procedure 55(b), for Default Judgement against Defendant GLOBAL VIRTUAL OPPORTUNITIES, INC. on the basis that Defendant failed to serve a response to Plaintiff's complaint within the time permitted under Federal Rule of Civil Procedure 12(a), and Defendant has not otherwise appeared in this action. In support of this request the Plaintiff relies upon the record in this case and the affidavit submitted herein.

#### Factual Statements Regarding Lawful Service of Summons and Complaint:

- 1. Plaintiff filed his complaint over-the-counter "otc" with the U.S. District Clerk's office in the Waco, Texas Division on July 3, 2018. [ECF No.7].
- On September 6, 2018 at 10:18am CST a Deputy U.S. Marshall served an individual named M. Diaz the summons and complaint at the address of the Defendant's registered agent. [ECF No. 8].
- 3. Defendant knew that the registered agent had been served the summons and complaint because the Defendant's President emailed the Plaintiff 69 minutes after Service was made [See Exhibit A].
- 4. Prior to the lawful service of process; the Plaintiff's last communication from or with Defendant was ~ 3 Months prior [See Exhibit A].

- 5. The Deadline for a response by the Defendant to the Summons and Complaint was September 27, 2018. [ECF No.8].
- 6. The Clerk entered a Clerk's Entry of Default on October 11,2018 [ECF No.11].
- 7. Defendant has failed to respond to the summons and complaint that Plaintiff caused to be served upon Defendant's registered agent by the U.S. Marshall Service on September 6, 2018 at 10:18am CST. Defendant has not filed any response to the Plaintiff's complaint, Defendant has not entered an appearance in this matter, nor has Defendant sought additional time within which to respond or otherwise appear in this action.
- 8. The Defendant's Registered agent resigned on September 18, 2018. Plaintiff as of the date of this filing has no listed registered agent to serve copies of court filings on [See Exhibit B].

#### **Defendant is Not in Military Service:**

- The Defendant is not a "servicemember"; and a Corporation CANNOT claim protection under the Servicemembers Civil Relief Act "SCRA" 50
   U.S. Code §3911(1).
- 10. In a case before the Third Circuit Court of Appeals the issue of Corporations and/or their Officers and Directors seeking protection under

the SCRA came about, and the court denied the alleged miscreant relief Davis v. City of Philadelphia, No. 15-2937 (3d Cir. 2016) [See Exhibit C].

- 11. The Defendant in this case has not however appeared at all and has not invoked protection under the SCRA.
- 12. The Defendant is a Corporation and cannot be afforded the protection of the SCRA under the law.
- 13. Plaintiff did make an effort to ensure compliance with the SCRA by going online to the U.S. Department of Defense Manpower Data Center Website and performing a search for the Defendant.
- **14.** The search as referenced in the foregoing paragraph indicated that the Defendant is NOT in Military service, and NOT entitled to relief under the SCRA [See Exhibit D].

WHEREFORE, Plaintiff prays that the Court will enter a Judgement of Default against the Defendant.

Respectfully Submitted,

Clinton Strange

12-6-2018 Dated

Pro Se

7021 Winburn Drive Greenwood, LA 71033 318-423-5057

parsmllc@gmail.com

## **EXHIBIT A**

From: Joel Therien

Sent: Thursday, September 6, 2018 11:27 AM

To: Precision Appliance Repair

**Subject:** Re: Letter received to Global Virtual Opportunities

Hi Clinton,

Took me 2 weeks to find this email address wow kind of off. 47usc227etseq@gmail.com is not exactly memorable.

did you get the signed copy of your summons?

On Wed, Jun 6, 2018 at 2:23 PM, Precision Appliance Repair <47usc227etseq@gmail.com> wrote:

Dear Joel Therien:

May I please have the names and contact information for the marketing firms you 'reached out to' so I may reach out to them?

Regards,

**Clinton Strange** 

Sent from Mail for Windows 10

From: Joel Therien

Sent: Wednesday, June 6, 2018 10:05 AM To: 47usc227etseq@gmail.com; Ilona

Subject: Letter received to Global Virtual Opportunities

Dear Mr Strange,

In no way did we admit we sent the text message because we didnt. Lets get that 100% clear. In fact we have no idea who sent it. We reached out to a few marketing firms promoting our products so we were here to help you not hinder you.

## **EXHIBIT B**





#### **Franchise Tax Account Status**

As of: 12/06/2018 07:08:55

#### This Page is Not Sufficient for Filings with the Secretary of State

GLOBAL VIR	TUAL OPPORTUNITIES, INC.
Texas Taxpayer Number	19805312725
Mailing Address	6701 GUADA COMA DR SCHERTZ, TX 78154-3247
<b>②</b> Right to Transact Business in Texas	ACTIVE
State of Formation	DE
Effective SOS Registration Date	06/15/2007
Texas SOS File Number	0800830111
Registered Agent Name	Not on file
Registered Office Street Address	

## **EXHIBIT C**

#### **PRECEDENTIAL**

## UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

No. 15-2937

#### MICHAEL E. DAVIS; GLOBAL SALES CALL CENTER LLC

٧.

#### CITY OF PHILADELPHIA

Michael E. Davis,
Appellant

On Appeal from the United States District Court for the Eastern District of Pennsylvania (D.C. No. 2-14-cv-06979) District Judge: Honorable Gerald J. Pappert

Submitted Under Third Circuit L.A.R. 34.1(a) March 4, 2016

Before: McKEE, Chief Judge, SMITH, and HARDIMAN, Circuit Judges.

(Filed: May 4, 2016)

1

Earl D. Raynor, Jr.
234 North Peach Street
Philadelphia, PA 19139

Counsel for Appellant

Michael A. Siddons 230 North Monroe Street P.O. Box 403 Media, PA 19063

Counsel for Appellee

#### OPINION OF THE COURT

HARDIMAN, Circuit Judge.

Federal law confers various protections on United States servicemembers called to active duty. Among these are limits on the interest and penalties that may be charged to a servicemember for overdue property taxes. Michael Davis, who served his country in both Iraq and Afghanistan, appeals the District Court's order dismissing his lawsuit challenging delinquent property tax interest and penalties that the City of Philadelphia assessed against his company while he was on active duty. The question presented by this appeal is whether the protections afforded to Davis as a servicemember extend to his company's property.

I

Davis and his wife purchased a two-story, three-bedroom rental property at 5624 Willows Avenue in Philadelphia on July 15, 1997. A longtime member of the United States Army Reserve, Davis was called to active duty in December 2004. A few months after he was called up, Davis and his wife transferred the property to Global Sales Call Center LLC, a Pennsylvania company that is solely owned and managed by Davis. Davis served six months of active duty in Iraq in 2005 and three years in Afghanistan between 2008 and 2011.

<sup>&</sup>lt;sup>1</sup> The Davises did so to "insulate themselves from liability because [Davis] was on active duty [in the Army] and his wife was unable to manage the property." *Davis v. City of Philadelphia*, 2015 WL 4461770, at \*1 n.1 (E.D. Pa. July 21, 2015).

In December 2009, Davis and Global asked the Philadelphia Department of Revenue to reduce Global's property tax debt in accordance with the Servicemembers Civil Relief Act (SCRA), 50 U.S.C. § 3901 et seq., which limits any interest imposed on a servicemember's delinquent property taxes during his period of active duty to a rate of six percent and forbids any additional penalties.2 50 U.S.C. §§ 3991(d), 3937(a)(1). The Department denied this request on the grounds that the SCRA does not apply to a business owned by a servicemember, telling Davis that he should instead file an abatement petition with the Philadelphia Tax Review Board. Davis did so in January 2010, rehashing his SCRA argument and requesting a recalculation of the interest and penalties assessed against Global based on its overdue property taxes. The Review Board denied the petition after a March 2011 hearing.

Two years later the City of Philadelphia initiated foreclosure proceedings on Global's property because of its failure to pay the delinquent property taxes and associated interest and penalties, and the Philadelphia Court of Common Pleas entered judgment in the City's favor. In a subsequent hearing upon a petition to open the judgment, Davis again requested an abatement of Global's debt, reasserting that the interest and penalties assessed by the City violated the SCRA and neglecting to inform the Court that the Review Board had already considered and rejected this argument. After learning of the Review Board's decision, the Court of Common Pleas ruled in the City's favor and signed the foreclosure petition.

Davis and Global then turned to federal court, suing under 42 U.S.C. § 1983, which "provides a recovery mechanism for the deprivation of a federal right by a person acting under color of state law." Hynson By & Through Hynson v. City of Chester Legal Dep't, 864 F.2d 1026, 1029 (3d Cir. 1988). The City moved to dismiss, arguing that it had applied the SCRA to Davis's personal liabilities (those arising

<sup>&</sup>lt;sup>2</sup> Davis alleges that nearly half of the \$17,120.47 demanded by the City in back taxes and court costs is illegal under the SCRA.

during the brief period between Davis's transition to active duty and his transfer of the Willows Avenue property to Global) and that both Davis and Global lack standing.

The District Court granted the City's motion. The Court reasoned that the SCRA extends only to servicemembers and that a corporation is not a "servicemember" under the statute. Davis v. City of Philadelphia, 2015 WL 4461770, at \*3 (E.D. Pa. July 21, 2015). Accordingly, it concluded that Global was without statutory standing to seek relief under the SCRA. Id. The Court also dismissed Davis's suit, holding that—because he was not personally liable for Global's tax debt—he "has not been denied relief under the SCRA." Id.

Global did not appeal, but Davis did.3

П

This appeal is our first opportunity to interpret the Servicemembers Civil Relief Act. This straightforward statute provides that any interest imposed on a servicemember's late property taxes during a period of active duty may not exceed six percent. 50 U.S.C. §§ 3991(a), (d), 3937(a), and 3911(2)(A)(i), (3). The law also bars any additional charges or interest under the guise of a "penalty." 50 U.S.C. § 3991(d). These property tax interest rate and penalty protections extend only to "property ... owned individually by a servicemember or jointly by a servicemember and a dependent or dependents." 50 U.S.C. § 3991(e) (emphasis added). The SCRA defines a "servicemember" as "a member of the uniformed services." 50 U.S.C. § 3911(1).

<sup>&</sup>lt;sup>3</sup> The District Court had jurisdiction under 28 U.S.C. § 1331 and 28 U.S.C. § 1343. We have jurisdiction under 28 U.S.C. § 1291. We reject the City's odd suggestion that our inquiry is merely whether the District Court's order is "clearly erroneous" or amounts to an abuse of discretion. City Br. 8, 13, 16; but see id. at 14–15 (correctly identifying our standard of review). Our review is plenary. Ballentine v. United States, 486 F.3d 806, 808 (3d Cir. 2007).

Although the parties view this case purely in terms of standing, we see it somewhat differently. As we shall explain, Global lacks standing, but Davis does have standing to sue.

Standing is a sine qua non in any case. See Warth v. Seldin, 422 U.S. 490, 498 (1975). There are three types of standing: (1) constitutional standing owing to the "irreducible constitutional minimum" of the existence of an Article III "case or controversy," Lujan v. Defs. of Wildlife, 504 U.S. 555, 560 (1992); (2) prudential standing consistent with "judicially self-imposed limits on the exercise of federal jurisdiction," United States v. Windsor, 133 S. Ct. 2675, 2685 (2013); and (3) statutory standing, which is at issue in this case. Whereas "Iclonstitutional and prudential standing are about, respectively, the constitutional power of a federal court to resolve a dispute and the wisdom of so doing," statutory standing is simply a matter of statutory interpretation. Graden v. Conexant Sys. Inc., 496 F.3d 291, 295 (3d Cir. 2007). We inquire "whether Congress has accorded this injured plaintiff the right to sue the defendant to redress his injury." Id.

Applying these principles, the District Court correctly held that Global is not a "servicemember" under the SCRA, as it is not a "member of the uniformed services." 50 U.S.C. § 3911(1). Although federal law treats corporations as "people" in many respects, it does not deem them soldiers. Moreover, the SCRA limits the class of persons who may petition a court for relief under the Act to those with "servicemember" status. 50 U.S.C. § 4021(a). Thus, the plain language of the SCRA precludes Global's standing.

Unlike Global, Davis is a servicemember. As such, he is precisely the sort of plaintiff that the SCRA protects. Contrary to the City's arguments and the District Court's implicit holding, his complaint is not defeated for lack of statutory standing.

Unfortunately for Davis, he has not—and cannot—state a claim for relief under the SCRA. "To survive a motion to dismiss, a complaint must contain sufficient factual matter, accepted as true, to state a claim to relief that is plausible on its face." Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009) (internal

quotation marks omitted). To state a claim for relief, Davis was required to plead facts sufficient to prove the following elements of a SCRA claim: (1) an interest at a rate above six percent (2) assessed against a servicemember while on active duty (3) based on delinquent property taxes relating to "property ... owned individually by a servicemember or jointly by a servicemember and a dependent or dependents." 50 U.S.C. § 3991(e) (emphasis added). Davis cannot satisfy the second or third elements because it is undisputed that Global owns the property in question and that Global alone is liable for the tax debt. 4 Under Pennsylvania law, Global has its own legal identity, so Davis may not invoke the SCRA on Global's behalf. Nor may Davis appeal to equity to pierce Global's corporate veil based purely on the unremarkable fact that Global has no corporate shareholders or personnel beyond Davis and absent any evidence that the entity was nothing but a sham, as it is well established that "Imlere stock ownership by a small number of shareholders does not blur the distinction between individual and corporate entities." In re Deed of Trust of Rose Hill Cemetery Ass'n, 590 A.2d 1, 4 (Pa. 1991); see also Sams v. Redevelopment Auth. of City of New Kensington, 244 A.2d 779, 781 (Pa. 1968) ("[Olne cannot choose to accept the benefits incident to a corporate enterprise and at the same time brush aside the corporate form when it works to their (shareholders') detriment."); Barium Steel Corp. v. Wiley, 108 A.2d 336, 341 (Pa. 1954) ("The fact that one person owns all of the stock does not make him and the corporation one and the same person.").

Contrary to Davis's argument, an SCRA provision circumscribing the obligations of servicemember-owned businesses hurts—not helps—his case. That provision states that "[i]f the trade or business... of a servicemember has an obligation or liability for which the servicemember is personally liable, the assets of the servicemember not held in connection with the trade or business may not be available for satisfaction of the obligation or liability during the servicemember's military service." 50 U.S.C. § 4026(a)

<sup>&</sup>lt;sup>4</sup> Davis concedes that the City has applied the SCRA to his personal liabilities.

(emphases added). This simply means that "business creditors cannot execute on the servicemember's non-business assets to satisfy business debt." Newton v. Bank of McKenney, 2012 WL 1752407, at \*6 (E.D. Va. May 16, 2012). A "necessary corollary to this rule is that business creditors are allowed to execute on the servicemember's business assets to satisfy business debt, even if the servicemember is personally liable for that business debt." Id. (emphases added). Hence, even in the event that some or all of the money owed by Global to the City effectively comes out of Davis's pocket, nothing in the SCRA would stand in the way so long as his non-business assets are respected.

#### Ш

It is an unfortunate twist of law and fate that Davis and his wife, in transferring their rental property to Global in order to protect their financial interests during Davis's period of military service, unwittingly undermined existing safeguards of those interests. Undoubtedly, denying these safeguards to Davis's closely held company runs counter to the SCRA's ambition that servicemembers feel secure in their tax and legal affairs during their active duty deployments so that they may "devote their entire energy to the defense needs of the Nation." 50 U.S.C. § 3902(1). But Davis received all the benefits that come with incorporation, and he cannot have his cake and eat it too. The clear text of the SCRA limits its protections to property owned individually servicemember or jointly by a servicemember and dependent. Because Global owns the property in question and the City has applied the SCRA's protections to Davis's personal liabilities, we will affirm the judgment of the District Court.

## **EXHIBIT D**

#### IN THE MATTER OF:

Strange v. Global Virtual Opportunities, Inc. Case No. 6:18-CV-00180-ADA-JCM pending before:

THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS, WACO DIVISION

BEFORE ME SWORE, Clinton Strange, a resident of the Parish of Caddo, in the State of Louisiana who is a natural person at the location of:

Shreveport, Louisiana on the date of:

Occumber 6<sup>th</sup>, 2018; the following:

- 1. I, Clinton Strange, am a party to this action as captioned above.
- 2. I have personally conducted a search via the internet at the United States

  Department of Defense Manpower Data Center website in regard to

  Defendant Global Virtual Opportunities, Inc., and have attached a document pertaining to that search as *Exhibit A*.
- 3. The document referred to and numbered using a "Certificate ID#" is a report from the DOD regarding whether "Global Virtual Opportunities" is in Military service and afforded protections or not under the SERVICEMEMBERS CIVIL RELIEF ACT" SCRA".
- 4. The Certificate ID # of the document is FYBCLPTSDZ30FDM.

- 5. The certificate referenced in the foregoing paragraphs was generated on 11-1-2018 at 6:49 pm PST.
- 6. The document indicates that Global Virtual Opportunities is NOT in Military Service as of 11-1-2018, and therefore not afforded protection under the "SCRA".
- 7. As of December 6, 2018, the Defendant has not made an appearance or contacted, me, the Plaintiff to request more time to respond to this Lawsuit save the one e-mail that, I, the Plaintiff received from the Corporations

  President indicating their acknowledgement of being served the summons in this action on September 6, 2018 via their Registered Agent.
- 8. In my complaint I feel that I sufficiently pled a claim on which the court could grant relief under The Telephone Consumer Protection Act of 1991, and seek damages from the Defendant pursuant to 47 U.S. Code § 227(b)(1)(A)(iii) in the amount of \$500 to \$1,500 for the violation of the act that I have demonstrated by the *Prima Facie* evidence in my complaint.
- 9. Because the Defendant failed to appear and consequently discovery never occurred, I was not able to prove that the Defendant or alternatively their third-party marketing partner (that the Defendant admits to hiring but does not know who sent the text message/s) sent me more than just the one text message.

- 10. The text message itself suggests that there were more than one text message/s sent to my cellphone.
- 11. Accordingly, I believe the Defendant is liable to me for between \$500 and \$1,500 for the one documented text message, and the court at its discretion could award \$3,000 in damages if persuaded by the evidence that there was more than one text message spam, along with costs of bringing the action.

12-6-2018

Dated

X Delene O'Rear

Notary Public

Clinton Strange (Deponent)

7021 Winburn Dr. Greenwood, 471033

Notary Number

065416

Address of Deponent

## **EXHIBIT A**



## Status Report Pursuant to Servicemembers Civil Relief Act

SSN:

XXX-XX-0111

Birth Date:

Jun-XX-2007

Last Name:

**OPPORTUNITIES** 

First Name:

**GLOBAL** 

Middle Name:

**VIRTUAL** 

Status As Of:

Nov-01-2018

Certificate ID:

FYBCLPTSDZ30FDM

Duty End Date	Status	Service Component
NA	No	AM
	NA	NA No effects the individuals' active duty status based on the Active Duty Status Date

	Left Active Duly Within 36	7 Days of Active Duty Status Date	
Active Outy Start Date	Active Duty End Date	Status	Service Component
NA NA	NA NA	No.	NA NA
This res	ponse reflects where the individual left active du	ry status within 357 days preceding the Active Duty St	atus Date

	The Member or His/Her Unit Was Notified of a Futu	ire Call-Up to Active Duty on Active Duty Status Date	
Order Notification Start Date	Order Notification End Date	Status	Service Component
NA	NA A	No	NA .
Thi	s response reflects whether the individual or his/her	unit has received early notification to report for active	duty

Upon searching the data banks of the Department of Defense Manpower Data Center, based on the information that you provided, the above is the status of the individual on the active duty status date as to all branches of the Uniformed Services (Army, Navy, Marine Corps, Air Force, NOAA, Public Health, and Coast Guard). This status includes information on a Servicemember or his/her unit receiving notification of future orders to report for Active Duty.

Sevento"

Michael V. Sorrento, Director

Department of Defense - Manpower Data Center

400 Gigling Rd. Seaside, CA 93955

# IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS WACO DIVISION

CLINTON STRANGE,	
Plaintiff	

6:18-CV-00180-ADA-JCM

v.

GLOBAL VIRTUAL OPPORTUNITIES, INC., Defendant

#### [PROPOSED] ORDER ON MOTION FOR FINAL DEFAULT JUDGMENT

THE COURT has reviewed the pertinent portions of the record and is otherwise fully advised in the premises. On September 6, 2018, Defendant was served. Defendant's

response to Plaintiff's Complaint was due on September 27, 2018. However, as of
December 6, 2018 Defendant has failed to respond to Plaintiff's Complaint and, in fact, has
failed to file an appearance in this case. Accordingly, it is
ORDERED AND ADJUDGED that Plaintiff's Motion for a Judgement of Default be
GRANTED against Defendant.
DONE AND ORDERED in Chambers at,Texas on thisday of
, 2019.
Judge
UNITED STATESJUDGE

#### Certificate of Service:

- 1. I, Clinton Strange, hereby certify that I have served upon the Defendant a copy of this court filing styled as "PLAINTIFF'S MOTION FOR **<u>DEFAULT JUDGEMENT</u>**" by placing a copy in the U.S. Mail with sufficient 1st class postage affixed on 12-6-2018.
- 2. The mailing was addressed to:

Global Virtual Opportunities, Inc. 6701 Guada Coma Drive Schertz, TX 78154

3. Under the pains and penalties of perjury of the laws of the United States of America I, Clinton Strange, declare that the above statements are both true and correct.

Clinton Strange

Pro Se

7021 Winburn Drive

Greenwood, LA 71033

318-423-5057

parsmllc@gmail.com

```
GUO Motion for Default
      Judgemen +
    Defendant Copy
            7070 ADAMS LN
GREENWOOD
                LA
             71033-9998
             2138480639
 12/06/2018
             (800) 275-8777
 Product
                   Sale
                           Final
 Description
                  Qty
                           Price
First-Class
                 1
                          $1.84
Mail
Large Envelope
    (Domestic)
   (SCHERIZ, TX 78154)
(Weight: 0 Lb 4.70 0z)
   (Estimated Delivery Date)
   (Monday 12/10/2018)
Total
                         $1.84
Cash
                         $2.00
Change
```

(\$0.16)

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CLERK, United States District Court

800 Franklin Avenue Room 380 Waco, 1X 76701 Clinton A. Strange 7021 Winburn Dr Greenwood, LA 71033-3215